

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: November 2, 2005]²

Bill No. and sponsor: H.R. 2079 (Mr. Kevin Brady of Texas)

Proponent name, location: Schering-Plough Corp., Kenilworth, NJ

Other bills on product (109th Congress only): None.

Nature of bill: Extension of temporary duty suspension through 12/31/2008.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

2-Azetidinone, 1-(4-fluorophenyl)-3-[(3S)-3-(4-fluorophenyl)-3-hydroxypropyl]-4-(4-hydroxyphenyl)-, (3R,4S)- (Ezetimibe) (CAS No. 163222-33-1) (provided for in subheading 2933.79.08)

Check one: ☒ Same as that in bill as introduced.
 ☐ Different from that in bill as introduced (see Technical comments section).


Product information, including uses/applications and source(s) of imports:

Ezetimibe is a white, crystalline powder that is soluble in ethanol, methanol, and acetone, but only sparingly soluble in water. It is a complex multi-ring aromatic compound containing carbon, hydrogen, oxygen, fluorine, nitrogen, and sulfur. The patented product is the active ingredient in the prescription drug, Zetia®, that inhibits the absorption of cholesterol from the intestine and is used to treat primary hypercholesterolemia. This drug is a non-statin cholesterol absorption inhibitor designed to reduce LDL (bad cholesterol), slightly decrease triglycerides, and slightly increase HDL (good cholesterol). Ezetimibe is imported from Singapore.

¹ Industry analyst preparing report: Ray Cantrell (202-205-3362); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm

Estimated effect on customs revenue:

HTS subheading: <u>2933.79.08</u>					
	2005	2006	2007	2008	2009
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Customs revenue loss <u>1/</u>	\$130,000	\$130,000	\$130,000	\$130,000	\$130,000

1/ Revenue loss shown for 2005 and 2006 results from a current suspension of duties per heading 9902.01.64.

Source of estimated dutiable import data: Proponent estimates based on continuation of the FTZ.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	US production of same or competitive product claimed?	Submission attached?	Opposition noted?
		(Yes/No)		
Schering-Plough Corporation (Proponent) Mr. Scott McCandless, 202-414-4460 Mr. Tad Perlman, 973-822-7286	9/01/2005	No	No	No
Bayer Corporation Ms. Karen L. Niedermeyer, 412-777-2058	8/31/2005	No	No	No
Brystol-Myers Squibb Company Mr. Ron Miller, 609-897-3276	9/07/2005	No	No	No
Pfizer, Incorporated (Govt. Relations) Mr. Michael Boyd, 202-783-7070	9/07/2005	No	No	No

Technical comments:³ None.

³ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

109TH CONGRESS
1ST SESSION

H. R. 2079

To extend the temporary duty suspension on Ezetimibe.

IN THE HOUSE OF REPRESENTATIVES

MAY 4, 2005

Mr. BRADY of Texas introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To extend the temporary duty suspension on Ezetimibe.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. EZETIMIBE.**

4 (a) IN GENERAL.—Heading 9902.01.64 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 2-Azetidinone, 1-(4-fluorophenyl)-3-[(3S)-3-(4-
7 fluorophenyl)-3-hydroxypropyl]-4-(4-hydroxyphenyl)-,
8 (3R,4S)-(Ezetimibe)) is amended by striking “12/31/
9 2006” and inserting “12/31/2008”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

